GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1920
ANSWERED ON:26.07.2002
SEMINAR ON INDIA`S TRADE POLICY
C. SREENIVAASAN;M.H. AMBAREESH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a seminar on India`s Trade Policy under the aegis of WTO has been organized in Geneva recently;

(b) if so, the agenda discussed and the persons who have represented India in the seminar;

(c) whether our country lags behind the other Asian countries in the world trade;

(d) if so, the share of our country in world trade; and

(e) the steps taken by the Government to increase its share in the world trade?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a): Under Annex 3 of the Marrakesh Agreement establishing the WTO, the trade policies and practices of all the World Trade Organisation (WTO) Members are subject to periodic review.Under this provision, India`s third trade policy review took place in WTO in Geneva on 19 and 21 June 2002 by the Trade Policy Review Body, which is composed of representatives of all the WTO Members.

(b): The trade policy review meeting discussed India`s trade policies and practices under three broad headings, namely, economic policies; trade policy regime; and sectoral policies. The discussions during this review was primarily based on two reports-one prepared by the WTO Secretariat and the other by the Government of India.The Commerce Secretary led the Indian delegation for this review meeting. The other members of the delegation were the concerned officers of the Trade Policy Division of the Department of Commerce, an officer from the office of the Director General of Foreign Trade, an officer from the Department of Economic Affairs and two officers from the Reserve Bank of India.The officers of the Permanent Mission of India in Geneva also constituted part of the delegation during the review meeting.

(c) and (d): As per the data of world trade in the Annual Report 2002 of the World Trade Organisation (WTO), in the year 2001, some Asian countries/customs territory, namely, Japan, China, Hong Kong China, Republic of Korea, Chinese Taipei, Singapore, Malaysia, Saudi Arabia, Thailand and Indonesia had a higher share of export in world merchandise trade than India.The figures of exports from Hong Kong China and Singapore also include re-exports.In 2001, India`s share of export in world merchandise trade was 0.7% and its share of import in world merchandise trade was 0.8%.

(e): The steps taken by the Government in the Export-Import Policy 2002-07 toincrease India`s share in world trade include reduction of transaction time & costs; procedural simplification and enhancement of transparency in the export promotion schemes; special schemes for status holders, small scale industry and units located in disadvantaged zones such as North East, Sikkim, Jammu & Kashmir; special schemes for exports in the country`s core sectors such as agriculture, textiles, leather, Gems & Jewellery, Chemicals and pharmaceuticals and electronic hardware; diversification of export markets by revamping the focus Africa, focus LAC (Latin American Countries) & focus CIS (Commonwealth of Independent States) schemes; notification of three towns of export excellence and 28 agri export zones and continuance of the Duty Entitlement Passbook Scheme along with the removal of value cap on 429 items . To enhance India`s merchandise export, the Government has also announced a Medium Term Export Strategy (MTES) for the period 2002-2007. The MTES makes an opportunity assessment after examining both the import baskets of the major trading countries and India`s export basket and arrives at focus products and focus markets for India. This would facilitate a more favourable trading environment to enable Indian export community to achieve higher growth rates in the global trade. It suggests key macro strategies and sector-wise strategies for India`s export growth.